OTL. GAS & MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

December 24, 2014

Certified Return Receipt 7013 2250 0000 2309 2372

Brooke Heddlesten Monument Resources PO Box 335 Bluff, Utah 84512

Subject: <u>Deficient Notice of Intention to Commence Small Mining Operations, Monument</u> Resources, Lime Pit Mine, S/037/0123, San Juan County, Utah

Dear Ms. Heddlesten:

Thank you for submitting a Notice of Intention to Commence Small Mining Operations (NOI) for the Lime Pit mine. To expedite the permitting process, the Division of Oil, Gas and Mining has assembled the information you provided in two separate submittals into one completed form, including the requested maps. Please review the contents in detail, and if you agree with it, please sign in the spaces provided in the certification section on Page 7 and return the entire form to the Division.

Also included with this letter is a copy of a Reclamation Contract (form MR-RC) that you need to sign and have notarized. Once sufficient surety has been provided, the Associate Director of Mining will also sign it and a stamped copy of the NOI and Reclamation Contract will be returned to you for your records.

It is not the Division's normal procedure to assemble the NOI for the operator, but we believe this will expedite the permitting process and negate the need for a meeting to resolve outstanding issues. Information provided in the previous two submittals is complete, but it was not assembled into one consolidated document that could be used as the NOI.

A cultural resources survey report is required for any proposed or anticipated new disturbance area. It is not required for areas that have already been disturbed, but the Division requests for its records that you submit any available survey information.

Page 2 of 2 Brooke Heddlesten S/037/0123 December 24, 2014

Please disregard the previous disturbed area estimate of 10 acres. After re-evaluating the site with better information, it has been determined that there is currently 3.7 acres of disturbance. Since sureties are calculated using whole acres, this area is rounded up to four acres. Using the Division's current calculations for small mining operations, the reclamation surety required for four acres of disturbance is \$23,000.00, valid for a period of three years (next evaluated in 2017). Reclamation sureties are re-evaluated and adjusted for inflation ("escalated") every three or five years, depending on the size of the operation and the operator's discretion. If you prefer to use a five-year escalation period, the surety required is \$23,900.00.

Surety may be provided in the form of a letter of credit, a surety bond, a certificate of deposit, or cash. Bonding forms can be found at http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_forms.html. Please contact the minerals program bonding coordinator, Penny Berry, at 801-538-5291 or by e mail at pennyberry@utah.gov with any questions regarding the surety.

Please note that the required reclamation surety can be reduced by reclaiming any portion of the existing disturbed area that is no longer being used. Accepted reclamation practices are described in a manual titled "The Practical Guide to Reclamation in Utah," available on our website at

https://fs.ogm.utah.gov/PUB/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf. Please also note that if the disturbed area exceeds 10 acres, the mine will be required to re-permit as a Large Mining Operation (LMO).

Please review and sign the certification page or provide revision responses as replacement pages to the NOI by February 1, 2015, using Form MR-REV-SMO/EXP, available on the Division's web site at www.ogm.utah.gov.

Please call Mike Bradley at 801-538-5332 or me at 801-538-5261 if you have questions concerning this letter. In reply, <u>please refer to file number S/037/0123</u>. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: mpb: eb/mj

Enclosure: NOI, Maps, MR-RC

P:\GROUPS\MINERALS\WP\M037-SanJuan\S0370123-Limestone\final\Def-6374-12222014.doc